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**BY ENERGY SAFETY E-FILING**

Tony Marino, Deputy Director  
Office of Energy Infrastructure Safety  
California Natural Resources Agency  
715 P Street, 20<sup>th</sup> Floor  
Sacramento, CA 95814

Re: **Reply Comments of Pacific Gas and Electric Company to the 2025  
Wildfire Mitigation Plan Update Draft Decision**  
**Docket # 2023-2025-WMPs**

Dear Deputy Director Marino:

Enclosed please find Pacific Gas and Electric Company's (PG&E) reply comments in support of the Office of Energy Infrastructure Safety's (Energy Safety) Draft Decision on our 2025 Wildfire Mitigation Plan (WMP) Update.

We appreciate the opportunity to provide these comments. Three sets of opening comments on our 2025 WMP Draft Decision were filed, totaling 45 pages.<sup>1</sup> These comments include twenty-four recommendations for PG&E, the other large investor-owned utilities (IOU), and Energy Safety to consider.

If you have any questions, or need any additional information, please do not hesitate to contact the undersigned.

Very truly yours,

/s/ Jay Leyno

Jay Leyno

**I. PG&E APPROPRIATELY DEMONSTRATED AND ADJUSTED OUR GRID HARDENING DECISION MAKING PROCESSES**

The System Hardening Data Provided is Accurate: PG&E's 2025 WMP Update complied with the requirements of Area for Continued Improvement (ACI) PG&E-23-05, contrary to the assertions of the Public Advocates Office (Cal Advocates).<sup>2</sup> Cal Advocates acknowledges that it has repeated the arguments it made in May 2024 in its opening comments on PG&E's 2025 WMP Update, and it reiterates that it disagrees with the numbers used by PG&E in the evaluation.<sup>3</sup> Since these arguments have already been addressed, we direct the parties to the section of our previously filed reply comments that discusses these arguments.<sup>4</sup> Our system hardening analysis speaks for itself, and we agree with Energy Safety's determination that "PG&E provided the required updates to its effectiveness estimates and provided comparisons between mitigation combinations to justify its grid hardening decision making" and "[t]herefore, PG&E sufficiently responded to this area for continued improvement."<sup>5</sup> Energy Safety should not reverse its finding that PG&E complied with ACI PG&E-23-05.<sup>6</sup>

Submitting Additional Field Data Under ACI PG&E-23-05 Is Unnecessary: PG&E should not be required to continue to submit field data as part of ACI PG&E-23-05, as proposed by the Mussey Grade Road Alliance (MGRA), for two reasons.<sup>7</sup>

First, Energy Safety's draft decision already requires PG&E and the other utilities to submit "in-field observed effectiveness" data as part of ACI PG&E-23-06. In compliance with ACI PG&E-23-06—the Continuation of the Grid Hardening Joint Studies—PG&E continues to participate in the Joint IOU Covered Conductor Effectiveness Study to better understand the advantages, operative failure modes, and current state of knowledge regarding covered conductor. Based on the latest update using data through 2022, the estimated effectiveness of covered conductor is 64%. This is consistent with the previous results that were completed using data through 2020. For reference, please refer to the Joint IOU Covered Conductor Working Group Report, which was submitted to Energy Safety as an attachment to PG&E's 2023-2025 Base WMP on March 27, 2023.<sup>8</sup> Per ACI PG&E-23-06, PG&E will continue to collaborate with the other IOUs to evaluate various aspects of grid hardening and will provide an updated Joint IOU Grid Hardening Working Group Report in the 2026-2028 WMP.

Second, MGRA's argument is based on an inaccurate representation of the current field data (by which PG&E understands MGRA to mean ignition data). Although MGRA claims that current field/ignition data shows an effectiveness higher than 64%,<sup>9</sup> the current ignition data on covered conductor is not appropriate for conducting a meaningful calculation, including effectiveness or statistical significance testing, because the locations where covered conductor has been installed (often in fire-scarred rebuild areas, and areas with low tree strike risk) are not representative of PG&E's overall High Fire Threat District (HFTD) and High Fire Risk Areas (HFRA)). In addition, the data compares newly installed covered conductor to assets and equipment that are not new, and thus, results in an apparent effectiveness that may be unrealistically high. Weathering has a long-lasting, degrading impact on the risk-reduction effectiveness.

Therefore, to accurately compare ignition risk from covered conductor and bare overhead systems, it is estimated to require at least 8 to 10 years of weathering for a reasonable comparison to be made. Given these issues, Energy Safety should neither accept MGRA's argument nor revise its decision to require PG&E to continue to submit field data as part of ACI PG&E-23-05.

**II. PG&E'S LONG-TERM UNDERGROUNDING PLAN IS SUPPORTED BY WILDFIRE DISTRIBUTION RISK MODEL (WDRM) v4**

Re-Evaluating the Reasonableness of PG&E's Long-Term Undergrounding Plans Is Unnecessary: PG&E should not be required to re-evaluate the reasonableness of its long-term undergrounding plans because of its updated risk model, as argued by Cal Advocates.<sup>10</sup> First, such a re-evaluation was not a requirement for the 2025 WMP Update and does not merit revisions to the draft decision. Moreover, WDRM v4 data does not change our long-term undergrounding plans. As described in PG&E's 2025 WMP Update, the WDRM v4 included the addition of the California Public Utilities Commission (CPUC) and intervenor requested modeling capabilities that represented additional risk drivers beyond those in the previous WDRM v3 model.<sup>11</sup> More specifically, WDRM v4 incorporated the direct representation of egress and suppression on wildfire consequence and data improvements on historical wildfires and expanded fire simulations from 8 hours to 24 hours.<sup>12</sup> As a result of these improvements, the distribution of risk, as represented by the risk buy down curve, also changed to reflect this newly represented risk. At the high end of the risk curve, some high-risk locations were elevated to an even higher risk due to a combination of the challenges of egress from simulated fires in those areas and suppression from fire resources. This elevated and concentrated more risk on fewer of the highest risk circuit segments. At the same time, the modeling improvements captured more ignition risk across a broader area of the HFTD, which resulted in flattening the middle part of the curve. This drove both the top of the risk buy down curve to be higher and more concentrated, while wildfire risk is also more widely distributed across the system. Thus, while 10,000 miles of undergrounding now represents a lower percentage of the increased modeled wildfire risk, it still represents the locations with the most elevated risk.

Despite suggestions to the contrary, undergrounding remains an appropriate mitigation in high-risk areas under WDRM v4. The results of WDRM v4 will be considered and incorporated into PG&E's long-term undergrounding plans and system hardening decision tree, which will be more fully described in PG&E's Electrical Undergrounding Plan (EUP) in response to Energy Safety's guidelines.

**III. THE EUP IS THE APPROPRIATE FILING FOR A DETAILED ANALYSIS OF LONG-TERM UNDERGROUNDING PLANS**

Additional Risk Modeling in the WMP Would Be Duplicative of EUP Requirements:

Cal Advocates and MGRA unnecessarily recommend that Energy Safety require PG&E to explain its long-term goal and plans for undergrounding and risk reduction in its 2026-2028 WMP because risk is distributed over a much wider area than first determined by earlier risk models.<sup>13</sup> Further, PG&E should not be required to perform unnecessary and duplicative risk modeling and cost-benefit analyses, as suggested by Cal Advocates,<sup>14</sup> because that modeling and analysis will be included in PG&E's EUP.

PG&E's EUP will address the updated WDRM v4 risk model, discuss the implications of the changes in the risk curve, and will present detailed analyses explaining and justifying our long-term undergrounding strategy in light of the updated WDRM risk.<sup>15</sup> Requiring the same, or similar, level of analysis in multiple proceedings on different schedules, with different parties and filings, would be inefficient for both stakeholders and Energy Safety. Moreover, it could result in misaligned regulatory guidance or disposition on the same, or very similar, content. The EUP is the appropriate filing for discussion of undergrounding risk reduction and analyses.

Evaluating the “cost-effectiveness” of PG&E’s “long-term undergrounding plans” in the WMP would be duplicative of the intent, and the analyses and strategic justifications, that are already required by Energy Safety as part of the EUP and its associated application.<sup>16</sup> The regulatory guidelines adopted by the CPUC in Resolution (Res.) SPD-15<sup>17</sup> and by Energy Safety in the Revised Draft 10-Year Electrical Undergrounding Plan Guidelines (Revised Draft EUP Guidelines)<sup>18</sup> detail extensive modeling, analysis, and reporting requirements on the costs and benefits, and the cost benefit ratio (CBR)—the CPUC’s adopted cost effectiveness metric—of undergrounding compared to other wildfire and reliability risk reducing mitigations.<sup>19</sup> Specifically, Res. SPD-15 includes CBR conditions such that a large electrical corporation can only recover EUP costs if it meets approved annual average CBR thresholds. In addition, the Revised Draft EUP Guidelines establish a detailed project acceptance framework with various screening requirements to ensure that the large electrical corporation can justify undergrounding an overhead distribution line as opposed to mitigating it through a non-underground approach.<sup>20</sup> Thus, performing this analysis as part of the WMP would be redundant.

Similarly, PG&E urges Energy Safety not to expand ACI PG&E-23-05 to duplicate mitigation comparison analyses that will be required in an EUP, as requested by Cal Advocates. Energy Safety's revised draft EUP Guidelines already require this analysis. Specifically, the Revised Draft EUP Guidelines require a comparison of undergrounding to at least two alternative mitigations and specify that alternative mitigation one must include installation of covered conductor and some type of protective equipment and device settings used to reduce wildfire ignition.<sup>21</sup> Unlike the WMP, which covers a utility's entire range of wildfire mitigation solutions, the EUP is specific to undergrounding and, thus, is the appropriate place for specific, detailed analysis of undergrounding compared to alternative mitigations.

#### **IV. ASSET TAG BACKLOG**

Utilities Should Not Be Penalized for Reducing Risk Sooner: PG&E's 2025 WMP Update did not request a downward reduction in the backlog tag target, as asserted by GPI.<sup>22</sup> We note that the multi-year tag target in our 2025 WMP Update (154,200 tags) was significantly higher than that which we initially proposed in our 2023-2025 Base WMP (130,000 tags) and that we still proposed to meet Energy Safety's increased three-year cumulative target of 154,200 tags.<sup>23</sup> We merely asked to be given credit in 2024 and 2025 for the additional tags that were completed in 2023. This argument was previously raised by GPI in the comments on our 2025 WMP Update, where we explained that it would be poor policymaking to penalize utilities for completing work early and getting additional risk off their system sooner.<sup>24</sup> Policy that would encourage utilities to wait to perform work merely so it could be "counted" would be harmful for everyone. Consequently, Energy Safety should not reverse its determination that PG&E met the requirements of ACI PG&E-23-12.<sup>25</sup>

#### **V. CONCLUSION**

PG&E respectfully requests that our 2025 WMP Draft Decision be approved by Energy Safety for the reasons set forth above, those detailed in the plan itself, and those included in PG&E's previously submitted reply comments to the plan.

## ENDNOTES

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<sup>1</sup> The parties submitting comments on the Draft Decision were: the Public Advocates Office (Cal Advocates); the Mussey Grade Road Alliance (MGRA); and the Green Power Institute (GPI).

<sup>2</sup> Cal Advocates Opening Comments at 2-5.

<sup>3</sup> *Id.* at 2-4.

<sup>4</sup> PG&E Reply Comments to the 2025 WMP Update (May 21, 2024) at 2-3.

<sup>5</sup> Energy Safety Draft Decision (Aug. 29, 2024) at 22-23.

<sup>6</sup> *Id.* (“PG&E provided the required updates to its effectiveness estimates and provided comparisons between mitigation combinations to justify its grid hardening decision making. Therefore, PG&E sufficiently responded to this area for continued improvement; no further reporting is required on this area for continued improvement in PG&E’s 2026-2028 Base WMP.”)

<sup>7</sup> MGRA Opening Comments at 7-8.

<sup>8</sup> The Joint IOU Covered Conductor Working Group Report was included in PG&E’s 2023-2025 Base WMP submission on March 27, 2023, as Attachment “2023-03-27\_PGE\_2023\_WMP\_R0\_Appendix D ACI PG&E-22-11\_Atch01”. See “2023-2025 Wildfire Mitigation Plan Public Attachments (ZIP)” available at <https://www.pge.com/en/outages-and-safety/safety/community-wildfire-safety-program.html#tabs-d12abf1841-item-caaebaf89b-tab>.

<sup>9</sup> MGRA Opening Comments at 7-8.

<sup>10</sup> Cal Advocates Opening Comments at 5-7.

<sup>11</sup> PG&E’s 2025 WMP Update R1 (Jul. 25, 2024) at 6-11.

<sup>12</sup> *Id.*

<sup>13</sup> Cal Advocates Opening Comments at 5-7; MGRA Opening Comments at 6.

<sup>14</sup> *Id.* at 3 (“Energy Safety should revise the Draft Decision to include a new ACI that requires PG&E to evaluate the cost-effectiveness of its long-term undergrounding plans in light of its updated risk model. Energy Safety should require PG&E to either change its hardening strategy or explain its continued long-term focus on undergrounding despite the substantially improved speed, substantially reduced cost, and high effectiveness of covered conductor projects compared to undergrounding.”).

<sup>15</sup> See Energy Safety’s Revised Draft 10-Year Electrical Undergrounding Plan Guidelines (EUP Guidelines) (Sep. 13, 2024).

<sup>16</sup> Cal Advocates Opening Comments at 3.

<sup>17</sup> Res. SPD-015 (Mar. 8, 2024) at Attachment 1. Available at the following link: <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M526/K984/526984185.pdf>.

<sup>18</sup> See EUP Guidelines at 3-29.

<sup>19</sup> *Id.* at 10-21.

<sup>20</sup> *Id.* at 10-18.

<sup>21</sup> *Id.* at 41.

<sup>22</sup> GPI Opening Comments at 17 (“The Draft Decision approves a downward backlog reduction target adjustment for 2025 from 79,000 to 63,747 tags on account of PG&E’s 2023 target exceedance, and that it is on pace to complete the 3-year backlog tag closure.”).

<sup>23</sup> PG&E 2025 WMP Update R1 at 84-85.

<sup>24</sup> PG&E Reply Comments to the 2025 WMP Update at 5.

<sup>25</sup> Energy Safety Draft Decision at 35 (“Therefore, PG&E sufficiently responded to this area for continued improvement; no further reporting is required on this area for continued improvement in PG&E’s 2026-2028 Base WMP.”).